

CIVIC CENTER (14)

GOAL-BASED GOVERNANCE PLAN MISSION, GOALS AND BUDGET SUMMARY

AGENCY MISSION:

The mission of the Civic Center Department is to provide and promote world class facilities and services for conventions, trade shows, banquets, special events, cultural events and major public and sporting events.

AGENCY GOALS:

1. Heighten our level of customer satisfaction by providing a safe and attractive facility with a responsive, customer-driven staff.
2. Increase booking and event-generated revenue through proactive initiatives, causing an increased demand for hospitality services that relate to Cobo activity.
3. Reduce administrative, operational and maintenance costs.
4. Improve employee morale through the implementation of Total Quality Management principles, including employee training and empowerment initiatives.
5. Improve communication and cooperation with Detroit hospitality service providers (hotels, Detroit Metro Convention and Visitors Bureau, etc.)

AGENCY FINANCIAL SUMMARY:

2001-02 <u>Requested</u>		2000-01 <u>Budget</u>	2001-02 <u>Recommended</u>	Increase (Decrease)
\$ 23,352,582	Operating Appropriations	\$ 22,715,893	\$ 22,501,869	\$ (214,024)
<u>1,700,000</u>	Capital Appropriations	<u>1,250,000</u>	<u>3,300,000</u>	<u>2,050,000</u>
\$ 25,052,582	Total Appropriations	\$ 23,965,893	\$ 25,801,869	\$ 1,835,976
\$ 7,608,135	Operating Revenues	\$ 7,151,000	\$ 7,572,991	\$ 421,991
1,700,000	Transfers from Other Funds	1,250,000	1,700,000	450,000
<u>-</u>	Sale of General Obligation Bonds	<u>-</u>	<u>1,600,000</u>	<u>1,600,000</u>
\$ 9,308,135	Total Revenues	\$ 8,401,000	\$ 10,872,991	\$ 2,471,991
\$ 15,744,447	NET TAX COST:	\$ 15,564,893	<u>\$ 14,928,878</u>	\$ (636,015)

AGENCY EMPLOYEE STATISTICS:

2001-02 <u>Requested</u>		2000-01 <u>Budget</u>	4-1-01 <u>Actual</u>	2001-02 <u>Recommended</u>	Increase (Decrease)
<u>106</u>	City Positions	<u>106</u>	<u>87</u>	<u>106</u>	<u>0</u>
106	Total Positions	106	87	106	0

ACTIVITIES IN THIS AGENCY:

	2000-01 <u>Budget</u>	2001-02 <u>Recommended</u>	Increase (Decrease)
Administrative Services	\$ 1,277,249	\$ 1,386,269	\$ 109,020
Civic Center Facilities Operations	<u>22,688,644</u>	<u>24,415,600</u>	<u>1,726,956</u>
	\$ 23,965,893	\$ 25,801,869	\$ 1,835,976

CIVIC CENTER (14)

GBG ADMINISTRATIVE SERVICES MEASURES AND TARGETS

ACTIVITY DESCRIPTION: ADMINISTRATIVE SERVICES

The Civic Center Department's Administrative Services unit establishes and implements policies, and provides all technical and administrative support to ensure the long-term viability of the Cobo Center complex as a World Class attraction that serves as an economic catalyst for the City of Detroit and the State of Michigan. The unit provides and promotes a safe, attractive, well-managed, customer-friendly environment for Detroiters and visitors, making Cobo a magnet for conventions, trade shows, conferences, banquets and special events. The unit also monitors and maximizes business relationships with Cobo's labor unions, exclusive contractors, Olympia Arenas, Incorporated and the Detroit Metro Convention and Visitors Bureau (DMCVB).

GOALS AND OBJECTIVES:

1. Reduce administrative and maintenance costs.
2. Improve employee morale through the implementation of Total Quality Management principles, including employee training and empowerment initiatives.

MAJOR INITIATIVES:

To continue to attract new events and maintains the Department's high retention rate of existing shows.

PLANNING FOR THE FUTURE:

Exploration and securing of permanent and additional sources of revenues for Cobo Center continues. Aid is needed in securing new and additional hotel rooms.

CIVIC CENTER (14)

GBG ADMINISTRATIVE SERVICES MEASURES AND TARGETS

Goals: Measures	1998-99 Actual	1999-00 Actual	2000-01 Projection	2001-02 Target
Reduce administrative, operational and maintenance costs:				
Maintenance – number of work orders completed	4,780	5,128	5,200	6,000
Set-Up - number of setup work orders completed	4,823	4,980	5,200	6,000
Number of outside contracts	6	5	5	4
Improve employee morale:				
Rate of absenteeism	7%	7%	6.5%	3%
Number of grievances	3	5	4	0
Employees receiving training	40	46	80	91
Activity Costs	\$1,223,827	\$1,248,516	\$1,277,249	\$1,386,269

**CITY OF DETROIT
CIVIC CENTER
Financial Detail by Appropriation and Organization**

Administration	2000-01 Redbook		2001-02 Dept Final Request		2001-02 Mayor's Budget Rec	
	FTE	AMOUNT	FTE	AMOUNT	FTE	AMOUNT
Administration						
<i>APPROPRIATION ORGANIZATION</i>						
00008 - Administration						
140010 - Administration	14	\$975,190	14	\$1,207,359	14	\$1,083,836
140020 - Receptionist	0	\$22,059	0	\$22,233	0	\$22,433
140030 - Arena Taxes	0	\$280,000	0	\$295,000	0	\$280,000
APPROPRIATION TOTAL	14	\$1,277,249	14	\$1,524,592	14	\$1,386,269
ACTIVITY TOTAL	14	\$1,277,249	14	\$1,524,592	14	\$1,386,269

CITY OF DETROIT
Budget Development for FY 2001 - 2002
Appropriations - Summary Objects

	2000-01 Redbook	2001-02 Dept Final Request	2001-02 Mayor's Budget Rec
AC0514 - Administrative Services			
<i>A14000 - Civic Center Department</i>			
SALWAGESL - Salary & Wages	632,507	732,500	658,111
EMPBENESL - Employee Benefi	299,542	357,105	326,958
PROFSVCSL - Professional/Con	0	55,000	55,000
OPERSUPSL - Operating Suppli	20,000	25,000	20,000
OPERSVCSL - Operating Servic	45,200	59,987	46,200
OTHEXPSSL - Other Expenses	280,000	295,000	280,000
<i>A14000 - Civic Center Department</i>	<i>1,277,249</i>	<i>1,524,592</i>	<i>1,386,269</i>
AC0514 - Administrative Services	1,277,249	1,524,592	1,386,269
Grand Total	1,277,249	1,524,592	1,386,269

CIVIC CENTER (14)

GBG CIVIC CENTER FACILITIES OPERATIONS ACTIVITY INFORMATION

ACTIVITY DESCRIPTION: CIVIC CENTER FACILITIES OPERATIONS

The Civic Center Department's Facilities Operations unit is to provide management, event coordination, maintenance, security, customer service, food service and a positive environment at one of the nation's largest exhibition centers. Sales and Marketing staff are included in this section and work closely with Administrative Services and the Detroit Metro Convention and Visitors Bureau (DMCVB). This unit manages a substantial volume of city property and is primary responsible for the management and/or tenants relations for Joe Louis Arena, Cobo Arena, Veterans Memorial Building, Tiger Stadium and Ford Auditorium. The Civic Center Department also manages, operates and controls the chilled water and refrigeration plant. The chilled water is supplied by the Civic Center Department and distributed to Joe Louis Arena, Cobo Arena and the Veterans Memorial Building (Ford/UAW Training Center) for use in their HVAC system.

GOALS AND OBJECTIVES:

1. Heighten our level of customer satisfaction by providing a safe and attractive facility with a responsive, customer-driven staff.
2. Increase booking and event-generated revenue through proactive initiatives, causing an increased demand for hospitality services that relate to Cobo activity.
3. Improve communication and cooperation with Detroit hospitality service providers (hotels, DMCVB, etc.)
4. Rehabilitate and re-open Ford Auditorium.
5. Heighten customer satisfaction by providing a safe and attractive facility with a customer-driven staff.

MAJOR INITIATIVES:

In order to address structural concerns, \$1.6 million for the sale of General Obligation Bonds have been included to make capital improvements including repairs to Cobo Center's roof/parapet.

PLANNING FOR THE FUTURE:

While Cobo Center has developed a three-phase expansion format plan for the future, currently there is no funding mechanism to address this expansion. Detroit Metro Convention and Visitors Bureau (DMCVB) is currently funding a feasibility study, along with information from Cobo Center, to determine the viability of an expansion along with the appropriate characteristics components. It should be noted that any expansion would require both funding for construction as well as permanent funding for future capital improvements.

The core of the Cobo Center facility is now approaching 40 years of age, maintenance and capital improvements are the two (2) most critical funding issues for the future. The Cobo Center Hotel Tax portion devoted to capital expenditure is now at its lowest point and declining annually. Within seven (7) years, this fund will be completely non-existent due to the pay-down of the expansion bonds. The primary plan for the future is to secure long-range permanent funding for maintenance (both preventive and repair) and capital improvements.

The Department struggles to retain staff due to competition from outside forces, most notably, the three (3) casinos that can afford to attract our employees with higher salaries and increased benefit packages.

Concern is paramount for anticipated future repairs to the Lodge Freeway Bridge in front of Cobo Center. Concern is both for logistics for events as well as possible lost revenue during the inconvenience of construction.

CIVIC CENTER (14)

GBG CENTER FACILITIES OPERATIONS MEASURES AND TARGETS

Goals: Measures	1998-99 Actual	1999-00 Actual	2000-01 Projection	2001-02 Target
Improve communication and cooperation with Detroit hospitality service providers:				
Number of jointly-sponsored site visit/hospitality tours	29	33	35	40
Bi-annual inter-agency survey ratings	97%	98%	98%	100%
Increased number of bookings:				
Personal selling/marketing trips	25	33	40	51
Active involvement in downtown renaissance along waterfront; integration as one of the main spearheads for enhancement and to help drive the process:				
Membership and participation in committees	15	10	11	11
Heighten customer satisfaction by providing a safe & attractive facility with a customer-driven staff:				
The facility rating-survey (positive)	85%	86%	85%	90%
The staff rating-survey (positive)	86%	90%	91%	95%
Catering services rating-survey (positive)	80%	85%	87%	90%
Other contracted services rating-survey (positive)	79%	78%	77%	90%
Number of incident reports filed	50	47	42	30
Complaints - cleaning, catering, electrical	25	23	19	10
Increase booking and event-generated revenue through proactive initiatives:				
Number of bookings	632	650	642	700
New bookings	210	239	215	250
Number of trade shows and conventions	43	44	53	55
Number of trade shows and conventions - days	201	225	215	240
Number of public shows event days	250	252	255	260
Number of banquet/catering days	190	236	240	300
Ballroom use	302	310	319	350
Meeting rooms rented by event	351	409	415	420
Total attendance	\$1,790,296	\$1,800,524	\$1,900,000	\$2,000,000
Event-generated income	\$4,194,503	\$5,652,000	\$6,000,000	\$6,000,000
Detroit hotel occupancy rate	75%	76%	76%	80%
Events using 1,000 hotel rooms nights	41	44	42	50
Activity Costs	\$19,601,481	\$21,439,033	\$22,688,644	\$24,415,600

**CITY OF DETROIT
CIVIC CENTER
Financial Detail by Appropriation and Organization**

Sales & Marketing Cobo Center	2000-01 Redbook		2001-02 Dept Final Request		2001-02 Mayor's Budget Rec	
	FTE	AMOUNT	FTE	AMOUNT	FTE	AMOUNT
<i>APPROPRIATION ORGANIZATION</i>						
00011 - Cobo Center						
140040 - Sales & Marketing	13	\$955,043	13	\$1,038,549	13	\$1,025,511
140060 - Information Desk	0	\$44,107	0	\$44,460	0	\$44,859
140070 - Maintenance	5	\$1,713,181	5	\$1,753,992	5	\$1,826,729
140080 - Ford Auditorium	0	\$234,106	0	\$235,499	0	\$235,499
140090 - Cobo Center	30	\$15,234,186	30	\$15,544,876	30	\$14,753,062
140100 - Set-Up Crews Full Time	32	\$1,849,057	32	\$1,792,913	32	\$1,796,203
140110 - Set- Up Crews Extra Service	0	\$65,426	0	\$65,949	0	\$66,541
140140 - Security Cobo Org	12	\$1,343,538	12	\$1,351,752	12	\$1,367,196
APPROPRIATION TOTAL	92	\$21,438,644	92	\$21,827,990	92	\$21,115,600
00890 - Cobo - Renewal and Replacement						
140050 - Renewal & Replacement	0	\$1,250,000	0	\$1,700,000	0	\$1,700,000
APPROPRIATION TOTAL	0	\$1,250,000	0	\$1,700,000	0	\$1,700,000
10318 - Capital Improvement - Bonds - Civic Center						
140055 - Capital Improvement - Bonds - Civic Center	0	\$0	0	\$0	0	\$1,600,000
APPROPRIATION TOTAL	0	\$0	0	\$0	0	\$1,600,000
ACTIVITY TOTAL	92	\$22,688,644	92	\$23,527,990	92	\$24,415,600

CITY OF DETROIT
Budget Development for FY 2001 - 2002
Appropriations - Summary Objects

	2000-01 Redbook	2001-02 Dept Final Request	2001-02 Mayor's Budget Rec
AC1514 - Civic Center Facilities Operations			
<i>A14000 - Civic Center Department</i>			
SALWAGESL - Salary & Wages	3,840,302	3,962,361	3,650,299
EMPBENESL - Employee Benefi	1,841,972	1,949,352	1,842,565
PROFSVCSL - Professional/Con	4,000,300	4,000,300	4,000,300
OPERSUPSL - Operating Suppli	3,908,830	3,886,120	3,886,120
OPERSVCSL - Operating Servic	5,719,126	5,888,693	5,595,152
CAPOUTLSL - Capital Outlays/I	1,250,000	1,700,000	3,300,000
FIXEDCHGSL - Fixed Charges	2,063,939	2,063,939	2,063,939
OTHEXPSSL - Other Expenses	64,175	77,225	77,225
<i>A14000 - Civic Center Department</i>	<i>22,688,644</i>	<i>23,527,990</i>	<i>24,415,600</i>
AC1514 - Civic Center Facilities Operations:	22,688,644	23,527,990	24,415,600
Grand Total	22,688,644	23,527,990	24,415,600

CITY OF DETROIT
Budget Development for FY 2001 - 2002
Appropriation Summary - Revenues

	1999-00 Actuals	2000-01 Redbook	2001-02 Dept Final Request	2001-02 Mayor's Budget Rec	Variance
A14000 - Civic Center Department					
<i>00011 - Cobo Center</i>					
447300 - Other Utility Revenue	517,447	156,000	424,000	424,000	268,000
447505 - Telephone And Telegra	30	5,000	5,000	5,000	0
447555 - Other Reimbursements	0	20,000	55,144	20,000	0
462130 - Building Rentals	2,263,090	3,450,000	3,390,000	3,390,000	(60,000)
463100 - Miscellaneous Concess	1,821,050	1,500,000	1,730,000	1,730,000	230,000
463175 - Restaurant Concession	1,621,032	1,800,000	1,800,000	1,800,000	0
463185 - Checking Concessions	49,526	75,000	75,000	75,000	0
472130 - Equipment Rentals	32,663	85,000	50,000	50,000	(35,000)
474100 - Miscellaneous Receipts	424,755	7,000	7,000	7,000	0
510100 - Street Funds Reimburs	53,000	53,000	71,991	71,991	18,991
<i>00011 - Cobo Center</i>	<i>6,782,593</i>	<i>7,151,000</i>	<i>7,608,135</i>	<i>7,572,991</i>	<i>421,991</i>
<i>00890 - Cobo - Renewal and Replacement</i>					
461100 - Earnings On Investmer	343,148	0	0	0	0
510325 - Transfers From Other F	2,229,725	1,250,000	1,700,000	1,700,000	450,000
<i>00890 - Cobo - Renewal and Replace</i>	<i>2,572,873</i>	<i>1,250,000</i>	<i>1,700,000</i>	<i>1,700,000</i>	<i>450,000</i>
<i>10318 - Capital Improvement - Bonds - Civic Cer</i>					
522100 - Sale Of Bonds	0	0	0	1,600,000	1,600,000
<i>10318 - Capital Improvement - Bonds</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>1,600,000</i>	<i>1,600,000</i>
<i>00300 - Cobo HVAC and Lighting Renovation</i>					
461100 - Earnings On Investmer	10,131	0	0	0	0
<i>00300 - Cobo HVAC and Lighting Ren</i>	<i>10,131</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>
A14000 - Civic Center Department	9,365,597	8,401,000	9,308,135	10,872,991	2,471,991
Grand Total	9,365,597	8,401,000	9,308,135	10,872,991	2,471,991

CITY OF DETROIT
MAYOR'S 2001/2002 RECOMMENDED BUDGET

Civic Center Department

Appropriation	REDBOOK FY	DEPT REQUEST	MAYORS FY
Organization	2000 2001 FTE	FY 2001 2002 FTE	2001 2002 FTE
Classification			
00008 - Administration			
140010 - Administration			
Director - Civic Center	1	1	1
Deputy Director - Civic Center	1	1	1
General Manager - Civic Center	1	1	1
Business Activities Manager	1	1	1
Admin Asst GD II - Civic Ctr	1	1	1
Civic Center Activities Mgr	1	1	1
Executive Secretary III	1	1	1
Executive Secretary II	1	1	1
Civic Center Svcs Foreman	1	1	1
Sr Stenographer - Exempted	1	1	1
Typist	3	3	3
Clerk Part Time Special Svcs	1	1	1
Total Administration	14	14	14
Total Administration	14	14	14
00011 - Cobo Center			
140040 - Sales & Marketing			
Manager II - Civic Center	1	1	1
Manager I - Civic Center	1	1	1
Sales Manager - Civic Center	1	1	1
Asst Sales Mgr - Civic Center	1	1	1
Sr Civic Center Account Rep	3	3	3
Civic Center Account Rep	5	5	5
Senior Stenographer	1	1	1
Total Sales & Marketing	13	13	13
140070 - Maintenance			
Engineer of Bldg Maint & Oper	1	1	1
Asst Supervisor of Bldg Maint	1	1	1
Assoc Mech Eng - Maintenance	1	1	1
Bldg Oper Sprv - Grade II	1	1	1

CITY OF DETROIT
MAYOR'S 2001/2002 RECOMMENDED BUDGET

Civic Center Department

Appropriation	REDBOOK FY	DEPT REQUEST	MAYORS FY
Organization	2000 2001 FTE	FY 2001 2002 FTE	2001 2002 FTE
Classification			
00011 - Cobo Center			
140070 - Maintenance			
Senior Typist	1	1	1
Total Maintenance	5	5	5
140090 - Cobo Center			
Bldg Maintenance Foreman	1	1	1
Elect Worker - General	5	5	5
Finish Carpenter	2	2	2
Plumber	2	2	2
Finish Painter - Bldg Spray	2	2	2
Refrig Equip Oper 1st Class	6	6	6
Bldg Control Station Operator	4	4	4
Electronic Equip Technician	1	1	1
Building Mechanic	7	7	7
Total Cobo Center	30	30	30
140100 - Set-Up Crews Full Time			
Manager II - Civic Center	1	1	1
Prin Civic Center Oper Asst	1	1	1
Sr Promotional Activities Asst	1	1	1
Civic Center Srvcs Supervisor	1	1	1
Civic Center Srvcs Foreman	3	3	3
Senior Stenographer	1	1	1
Civic Center Facility Worker	22	22	22
Civic Center Facility Wrkr-SS	2	2	2
Total Set-Up Crews Full Time	32	32	32
140140 - Security Cobo Org			
Sprv Srve Guard - GD II	1	1	1
Senior Service Guard General	2	2	2

CITY OF DETROIT
MAYOR'S 2001/2002 RECOMMENDED BUDGET

Civic Center Department

Appropriation	REDBOOK FY	DEPT REQUEST	MAYORS FY
Organization	2000 2001 FTE	FY 2001 2002 FTE	2001 2002 FTE
Classification			
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00011 - Cobo Center			
140140 - Security Cobo Org			
Service Guard - General	9	9	9
Total Security Cobo Org	<u>12</u>	<u>12</u>	<u>12</u>
Total Cobo Center	<u>92</u>	<u>92</u>	<u>92</u>
Agency Total	<u>106</u>	<u>106</u>	<u>106</u>